Record Request No.: AG-RR-19 (Gas)

Please indicate how capacity assignment allocators are calculated, provide a narrative explaining, and some illustrative calculations from the most recent CGA.

Response:

Capacity assignment to migrating customers are performed in accordance with the Gas Division's tariff, Section 13.0 Capacity Assignment, Distribution Service Terms and Conditions. See Attachment 1 AG-7-21 (Gas). Capacity is allocated to individual customers using allocators that vary whether served on a high load or low load factor rate schedule. The general procedure is to use the Customer Management Module, proprietary software provided by Stoner Associates, Inc. and used by FG&E, to estimate the customer's design day demand. This software employs regression techniques applied to 18 months of customer historical data. If the regressions are inadequate to produce a reliable estimate, FG&E estimates the design day demand using manual methods. Then pipeline, storage and peaking capacity Maximum Daily Quantity ("MDQ") are established by multiplying the design day demand by a table of percentages updated annually and posted on the FG&E's web site. The current (effective November 1, 2001) allocations and total Peak Day Requirement MDQ are displayed in the accompanying attachment AG-RR-19 (Gas) along with an example of an allocation to a low load factor (LLF) customer.

The calculations to arrive at the allocations are to take monthly sendout per customer class on a peak day. System base (base load) and space (heating increment) are calculated using a regression analysis from company history. These figures for base and space are then used to fill first pipeline capacity, storage, and peaking service in that order. Finally, each allocation factor is derived (HLF & LLF) by dividing the Peak Day Requirement MDQ by its corresponding total MDQ, to arrive at these percentages.

Person Responsible: Karen M. Asbury and James L. Harrison

Capacity Assignment Variables

Rate Class	Pipeline	Storage	Peaking
G41 LLF	38.0%	25.0%	37.0%
G42 LLF	38.0%	25.0%	37.0%
G43 LLF	38.0%	25.0%	37.0%
R3 LLF	38.0%	25.0%	37.0%
R4 LLF	38.0%	25.0%	37.0%
G51 HLF	59.0%	17.0%	24.0%
G52 HLF	59.0%	17.0%	24.0%
G53 HLF	59.0%	17.0%	24.0%
R1 HLF	59.0%	17.0%	24.0%
R2 HLF	59.0%	17.0%	24.0%

Example: A LLF retail customer has a MDQ of 100 Decatherms. This customer would get 38Dths of pipeline, 25 Dths of storage and 37Dth's of Peaking service.

	Peak Day Requirement (MDQ)			
	Pipeline	Storage	Peaking	Total
Res LLF	3873	2532	3640	10045
Res HLF	220	67	96	383
G41-LLF	882	648	932	2462
G51-HLF	210	67	96	373
G42-LLF	1417	976	1404	3797
G52-HLF	443	115	165	723
G43-LLF	882	636	914	2432
G53-HLF	842	232	333	1407
Subtotal LLF	7053	4792	6890	18736
Subtotal HLF	1715	481	691	2886
Total	8768	5273	7581	21622
LLF	38%	26%	37%	
HLF	59%	17%	24%	